



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

MISCELLANEA.

CONTENTS:

	PAGE		PAGE
I.—General Results of the Commercial and Financial History of 1866	138	IV.—The French and English Budgets.....	170
II.—The Estimated Corn-Yield of England.....	151	V.—Workhouse Death-rate in Childbirth	171
III.—Statistics of the Insane Poor of Great Britain	158	VI.—The Actual State of American Finance	173

I.—General Results of the Commercial and Financial History of 1866.

THE narrative of the course of British commerce during 1866, given in the supplement to a recent number of the *Economist* as the *fourth* of the annual series, possesses greater interest than usual.

The "credit panic" of the spring was a monetary crisis of unexampled magnitude, in which, says the writer, "The fate of Overend and Co. is the most prominent, and, perhaps the most disgraceful." The *third* of these histories will be found in the *Journal* for 1866, at pp. 122, *et seq.* The original articles, with many valuable tables and extracts from trade reports, which, for want of space, could not be printed in the *Journal*, will be found in the *Economist* of 20th February, 1864; 11th March, 1865; 10th March, 1866, and 9th March, 1867.

"The year recently closed has been one of almost uniform disaster. The cattle plague, during the earlier months, inflicted losses quite ruinous to the farmers and graziers of several counties both in England and Scotland. The German war, in the summer, disorganised all continental trade. The Fenian invasion in Canada, in the spring; the abrogation of the Reciprocity treaty between Canada and the United States; and the necessary suspension of the Habeas Corpus Act in Ireland throughout the year, as a precaution against Fenian sedition, all operated unfavourably. Cholera was present in the country, more or less, throughout the summer. The weather was persistently wet, cold, and gloomy, and the result was a harvest more generally and seriously deficient than for many years. The change of Ministry, and, for a time, the prospect of a general election, in the midst of a commercial collapse, was a short, but disagreeable, incident of the year's history. These were disasters all independent of the financial perplexities. The year opened amidst apparent financial calm. But it lasted not long. The

explosion of the notorious joint stock discount company, in February, began a series of failures which went on from less to greater until the final break-up of Overend, Gurney, and Co., Limited, on the 10th May, the issue of the Government letter to the Bank, and the maintenance for fourteen weeks of a minimum rate of discount of 10 per cent.

"1866, therefore, will be memorable as a year of pestilence, war, scarcity, Irish discontent, and as the year in which occurred the most extensive and severe financial crisis of the present century.

"The tone of the circulars classified in the supplement is almost without exception unfavourable. The writers, each speaking of the facts of his particular business, almost without exception, complain of expectations unfulfilled, losses incurred, and former relations of trade broken up. For three or four years, from the operation of a variety of causes, to be referred to presently, demand, in a large number of cases, had outrun supply. The events of 1866 have, in the most abrupt and decisive manner, reversed this order of things, and, by reducing demand far within the limits of supply, have entailed confusion and loss upon large interests.

"The partial failure of the cotton crop in America, and its deficiency in India and elsewhere, will subject this country and the world for another year to the loss and evils of a price of cotton goods, at least one-third dearer than prevailed before 1862. The general bad harvest of 1866 all over Western Europe will still further restrict the purchasing means of the bulk of the population; and the effect of the excessive and blundering system of taxation which the people of the United States are at length beginning to feel and to resent, will sensibly restrain the capacity of that country as a consumer of foreign goods. We must be prepared to find, therefore, that 1866 has left behind it sinister influences, which will penetrate far into 1867, or, perhaps, into 1868.

"The collapse of 1866 has, however, gone far to reduce prices to a level, so free from artificial inflation, that it can be made, with considerable safety, a starting point for new operations. Speaking in general terms, it is probable that in the leading wholesale commodities, the *reduction of prices* in 1866 has been as much as 20 per cent.—in some cases, of course, more, and in others, less.

"In these figures, we see the very considerable fall of price at the end, as compared with the opening of 1866, in the prices especially of metals and raw materials of textile fabrics. Copper, iron, lead, and tin, are from 7 to 20 per cent. cheaper;—cotton, flax, and hemp, and cotton cloth, are from 17 to 40 per cent. cheaper. The fall in the price of wool is only 8 per cent.; and silk, as will be seen from the circular quoted hereafter, is still maintained at a very high price, in consequence of failures of, and impediments to, production. Tea, coffee, and sugar, are cheaper by 9 to 23 per cent. In these three articles, the effect of the high prices of a few years ago has so stimulated production, that the probability is, that a large permanent fall of price has been established.

"The following table will illustrate in detail, and by *percentages*, the rise or fall at 1st January, 1867, as compared with 1st January, 1866, and three earlier dates:—

1.—*Wholesale Prices in London. Comparison of 1st January, 1866, with Three Former Dates, stating in Percentages the Degree in which the Prices of 1st January, 1866, were Higher or Lower than the Prices prevailing at the Three Earlier Selected Dates.*

Articles.	Higher	Lower	Higher	Lower	Higher	Lower	Higher	Lower
	Than 1st January, 1866.		Than 1st January, 1864.		Than 1st January, 1861.		Than 1st July, 1857.	
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Coffee	—	17	—	1	13	—	—	1
Sugar	—	9	—	22	—	14	—	50
Tea	—	23	—	14	—	30	—	66
Wheat	27	—	50	—	12	—	—	4
Butchers' meat	—	7	3	—	—	—	14	—
Indigo	15	—	20	—	17	—	20	—
Oils	—	—	7	—	1	—	—	—
Timber	5	—	—	7	—	6	—	8
Tallow	—	5	14	—	—	22	—	30
Leather	—	2	—	4	—	1	—	15
Copper	—	20	—	20	—	16	—	26
Iron	—	12	—	15	—	5	—	27
Lead	—	7	—	4	—	7	—	20
Tin	—	20	—	30	—	38	—	40
Cotton	—	40	—	50	160	—	135	—
Flax and hemp	—	17	—	16	—	11	—	4
Silk	—	8	30	—	14	—	—	10
Wool	—	—	—	6	—	7	—	—
Tobacco	—	10	—	60	52	—	—	5
Cotton cloth	—	20	—	36	42	—	60	—
Total Bank Note circulation of Great Britain	3	—	3	—	3	—	4	—

Note.—This table, deduced from the percentages in Appendix (D), may be read thus:—On 1st January, 1867, coffee was 17 per cent. *lower* than on 1st January, 1866; indigo was 15 per cent. *higher*, &c.

“The same comparisons may be usefully made with the prices of 1st January, 1864—a date which represents in many ways the commencement of the period of inflation brought to a sudden end in the summer of 1866.

“Wages have fallen in 1866 in several large trades from 10 to 20 per cent. The most decided fall has occurred in the iron trade, and iron shipbuilding trades, in the midland and northern districts. These reductions have only been submitted to after protracted strikes. The strike among the ironworkers on the Tyne, Wear, and Tees, lasted for nineteen weeks, from July to November, and ended in the unconditional surrender of the men. The reduction of wages among the iron workers on the Thames has been, probably, more extensive,

and has arisen from more permanent causes—such, for example, as the extinction, more or less rapid, of the capacity of the Thames to compete in cheapness with the northern rivers, where coal and iron are upon the spot.

“Impelled in a principal degree by the extensive railway constructions of the last four years, the growth of the iron trade has been rapid, as the following table will show:—

2.—*Production of Pig Iron in United Kingdom, 1862 and 1865, as given by the Official Returns of Robert Hunt, F.R.S., of the Office of Mines.*

Districts.	Furnaces Existing.		Furnaces in Blast.		Pig Iron Produced.		Increase 1865 over 1862.
	1865.	1862.	1865.	1862.	1865.	1862.	
	Number	Number	Number	Number	Tons.	Tons.	Per cent.
North of England....	188	140	133	85	1,324,000	909,000	45
Scotland	180	171	141	125	1,163,000	1,080,000	8
Staffordshire and Salop	236	256	164	153	1,016,000	719,000	42
South Wales	198	197	133	125	845,000	893,000	—
Derbyshire and Yorkshire	79	79	69	58	312,000	243,000	28
Various	38	23	24	15	143,000	97,000	47
Totals	919	866	664	561	4,803,000	3,941,000	22
Increase in 1865	53	—	103	—	962,000	—	—

“We have here an increase of nearly one-fifth in the furnaces in blast, and an increase of more than one-fifth of the iron produced. We see, also, something of the process of removal which is taking place in the trade to the Cleveland and Durham district. For four or five years, capital was bidding for labour, and there has been, consequently, a continuous rise of wages. Suddenly, capital is paralysed, and now labour is bidding for capital, and strikes will only diminish the fund ultimately available for wages and profits. It must be remembered, however, that the collapse has come so suddenly, and in so severe a form, upon both masters and men, that it was inevitable that the readjustment could only be arrived at after painful contests. The same observations apply in substance to the building trades. There, capital has been bidding for labour for five or six years, and wages have risen continuously. There is now a severe check to building operations, and employment is scarce. The high prices of materials and labour have led to important applications of machinery to the production of building materials—such as doors, window-frames, flooring, panels, and the like, and extensive importation of these articles have taken place from the timber regions of the North of Europe.

“It is probable that 1866 will be hereafter referred to as a turning point in the relations of capital and labour in this country, and as marking at least a pause, if not a reaction, in the advancing tide which for a long period has promoted the rise of wages. We

print in the Appendix (M)* a curious representation, sent in November, 1866, from the joiners, painters, bricklayers, and labourers of New South Wales to their English brethren, representing the insufficiency of employment and wages in that colony. In the United States, the combined effect of the depreciated currency and the excessive and penetrating nature of the taxes, presses severely on the working men; and it will gradually become more and more apparent that the destruction of thousands of millions sterling of capital in the civil war has entailed for many years a poverty and exhaustion which even American resources can only slowly overcome. The failure of the American cotton crop of 1866 is a most unfortunate event for that country. It deprives the people of the States of twelve or twenty millions sterling of value, at the very time when it was needed to assist in reorganising their industry. And to this disaster has to be added the disaster almost equally great of the (at least) partial deficiency of the American produce of wheat.

"At present, it seems to be likely that the policy of Congress will be to augment still further import duties, to lessen the number and pressure of the internal taxes of excise, stamps, licences, and assessments on income and property; and to oppose any important reduction of the inconvertible paper currency. The process of reducing the paper currency is full of difficulty. So long as the inflation went on and prices rose, all debtors were relieved of part of their obligations. The opposite state of things of course favours creditors, but imposes the formidable consequence of successive depreciations of all property arising from progressively falling prices. It must be remembered, also, that in 1870 the representation will be readjusted according to the census of that year, and with the certain result of largely increasing the political power of the western or agricultural states, whose interests point to every possible extension of foreign trade; and to the diminution of the political power of the Atlantic States, who are and always have been the chief advocates of protective tariffs. It is barely possible that the principal of the debt will be largely reduced for some time. The internal taxes are too galling and burdensome to be submitted to in their original form after the excitement of the war is expended; and, as will be seen from the Appendix (L), the necessity for immediate fiscal relief is already among the most prominent topics discussed throughout the Union. The cessation of a Government expenditure of 120 millions a-year of borrowed money—that is, of 120 millions a-year of forestalled capital—must, even in America, exert for some time vast influence.

"The following Table (3), quoted from the circular given in the Appendix, shows the progress made in 1866 towards re-establishing the cotton industry of this country upon the footing which obtained prior to 1862. The average price of cotton consumed in 1866 was $13\frac{1}{2}d.$ per lb. against $15\frac{3}{4}d.$ in 1865—or a *fall* of more than 14 per cent. But $13\frac{1}{2}d.$ is still nearly *double* the prices which prevailed before 1862—that is to say, that in the year 1861, the United Kingdom paid 32 millions sterling for cotton represented by

* In the *Economist*, q. v.

1,005 millions of pounds weight; while, in 1866, the cost was 52 millions sterling for only 890 millions of pounds weight;—or, to put the case in more manageable figures—in 1866 we gave 32s., where, in 1861, we gave only 20s. for cotton wool, but got one-tenth less in quantity for the larger sum. Until this immense annual loss is remedied by a steady abundance of cheap cotton, we must be content to see the largest branch of our manufacturing industry in a fluctuating, feverish, and unprofitable state. The only solid basis for any extensive trade, foreign or domestic, in articles which must be in the largest degree consumed by the poorer classes, is cheapness—not for a time, but permanent and increasing cheapness.

3.—*United Kingdom, 1856-66. Estimated Value of Raw Cotton Imported, Re-Exported, and Consumed. (Ellison and Haywood's Circular.)*

[00,000's omitted, thus 75.8 = 75,800,000]

Years.	Imported.	Re-exported.	Consumed in United Kingdom.	Average Price per Pound.	Total Weight Consumed.
	Mln. £	Mln. £	Mln. £	d.	Mln. £
1866	75.8	19.5	51.9	13½	890.7
1865	63.2	17.1	47.2	15¾	718.6
'64	82.2	22.1	52.4	22	561.2
'63	58.0	21.6	40.7	20½	476.4
1862	31.1	12.4	26.7	14	449.8
'61	38.7	7.9	32.2	7¾	1,005.5
'60	36.6	5.5	28.9	6¾	1,079.3
'59	32.2	4.1	27.6	6½	977.6
'58	27.2	3.3	24.8	6¾	907.8
'57	28.6	3.5	24.8	7½	825.0
'56	26.0	3.3	22.7	6½	—

"The manufacturers of Lancashire have already learnt how seriously the duplicated price of cotton goods has contracted the foreign and home demand. The production of 1866 has led to overstocked markets; and 1867 opens with a general adoption of short time, as the only mode of enabling the manufacturer to keep in check the price of the raw material, and clear his warehouses of unsold goods.

"We entirely concur in the following extracts from a circular just issued:—

"The languid condition of business in Manchester, and the unsatisfactory state of trade in the manufacturing districts, in the face of a comparatively firm market here, and very indifferent prospects of supply, would seem to indicate that the production of 1866 *was in excess of the purchasing power of the world, at the late range of values*; and that, before any important revival of business can reasonably be expected, either time must be given for the absorption of the stocks accumulated in the chief foreign markets, or consumption must be stimulated by a reduced scale of prices.

"The maximum rate of production was attained during the three

or four months succeeding the panic of last May (1866), and was the result of the comparatively low prices then current. For the time being the demand was sufficient to carry off the entire output of the mills; but the rise which subsequently took place, slight as it was, at once arrested business: buyers having supplied their wants, both for actual consumption and for stock, to the fullest extent, refused to follow the advance, and the sequel was a reduced *bond fide* business during the closing quarter of the year. Spinners and manufacturers, however, owing to the loss and inconvenience that would have been entailed by a resort to short time, went on producing upon nearly as large a scale as ever, in anticipation of a revived demand; but the demand did not revive, and many producers, being unable to sell in Manchester, shipped their yarns and fabrics, on their own account, to various foreign countries, and thereby brought about the glut which is at present depressing the markets both at home and abroad.

"The reasonableness of this view of the case will be made apparent by a glance at the following statement of the *weight* of goods and yarns exported in 1866, as compared with the average shipments of 1856-58, and 1859-61;—1856-58, average of three years, 609 million lbs; 1859-61, ditto, 659 million lbs; 1866, ditto, 625 million lbs. The exports of 1866, therefore, were $2\frac{1}{2}$ per cent. greater than those of 1856-58, and duly $9\frac{1}{4}$ per cent. less than those of 1859-61, which were notoriously excessive.

"Of course the clothing requirements of the world are greater now than they were five or six years ago, while the purchasing power of many of our best customers has been largely augmented; but for these circumstances, we could not have disposed of the immense production of last year at more than double the currency ruling before the war. There are more people to clothe, and there is more spare money to spend in clothes, but neither the one nor the other has increased to such an extent as to enable the *calico wearers* of the world to take as much cotton *per head* as they did in 1861, at twice the price then current. Moreover, dear cotton has led to a large increase in the consumption of linen and woollen fabrics, both in this and other countries, and the rival textiles will continue to make headway unless their progress be arrested by a decline in the value of the staple products of Lancashire. In the absence of complete and reliable statistics of the domestic production of flax and wool, we have no means of ascertaining the extent of the increase in the home consumption of linen and woollen fabrics during the past half-dozen years; but that it must have been very great is evident from the extensive substitution of woollen and mixed articles of clothing in place of cotton, and which has long been a matter of common observation. Between 1861 and 1866, the production of flax in Ireland was *quadrupled*, and, during the same period, the home consumption of *foreign* wool rose from 100 millions to 150 million pounds.

"These facts account for the large increase in our exports of woollen and linen goods and yarn, shown in the subjoined statement, to which we have added the shipments of cotton products, for the purpose of comparison:—

[000's omitted—thus 2,634,074 yards = 2,634,074,000 yards.]

	Goods.			Yarn.		
	Cotton.	Woollen.	Linen.	Cotton.	Woollen.	Linen.
	Yards.	Yards.	Yards.	lbs.	lbs.	lbs.
1859-61 (average 3 years)	2,634,074,	152,818,	132,813,	180,132,	25,964,	31,659,
1866.....	2,556,000,	280,000,	258,000,	139,100,	27,000,	37,500,

In *weight*, the deficiency in cotton is about counterbalanced by the increase in woollens and linen, so that the world's wardrobe is quite as well supplied as it was six years ago, minus the excessive surplus stocks then existing. It may be that the cotton goods of the present day are not so durable as those made in what may be called the pre-Indian period, but against this we have a good set-off in the extra care and economy enforced upon all wearers by the higher prices they have to pay for their calicoes.—*Ellison and Co.'s Circular*, 1st February, 1867.

"The large drain of gold and silver to Egypt, India, and the East, which have been in progress since 1861, chiefly in payment of cotton, came to an end in March and April last (1866), as will be seen from the following table (4). The total export from Europe in 1866 was 9½ millions, or one-third less than the export (14 millions) of 1865.

4.—Exports of Gold and Silver to Egypt and East, per Peninsula and Oriental Steamers, &c.

	Gold.	Silver.	Total.
1866.	£	£	£
January	183,000	818,300	1,001,300
February	70,500	686,700	757,200
March	16,500	334,300	350,800
April	60,200	376,000	436,200
May	4,500	41,000	45,500
June	4,800	12,500	17,300
July	13,100	200	13,000
August	5,800	3,700	9,500
September	4,800	8,500	13,300
October	91,200	19,800	111,000
November	22,500	18,000	40,500
December	300	55,500	55,800
Peninsula and Oriental steamers } from Mediterranean ports.....	477,300	2,374,300	2,851,700
	536,500	3,071,100	3,607,600
French steamers	1,013,800	5,445,400	6,459,300
	1,500,000	1,604,900	3,104,900
Total, 1866.....	2,513,800	7,050,300	9,564,200
" '65.....	—	—	13,933,000
" '64.....	—	—	24,317,000
" '63.....	—	—	21,455,000
" '62.....	—	—	18,168,000

"For five years, the tide of the precious metals has run so strongly and constantly towards the East, that the supplies from the gold countries have been absorbed for that destination as quickly as they appeared. We shall now see a different state of things. The production of Australia and California will go on as usual, and this country will continue to be the chief and central point of collection and distribution; but the rapidity of that distribution will be greatly diminished, balances will have a tendency to accumulate, and, as we see already, the bullion reserves of the banks of England and France will increase, and possibly attain points of elevation as high or higher than any hitherto reached. Full details of the bullion trade of late years, are given in Appendixes (G, I, and J).*

"The crisis of the autumn of 1864 cleared away a large proportion of the weak and speculative mercantile houses, but it left standing all the new banks and finance companies. The crisis of 1866 has now cleared away most of these also. Looking back over the last four or five years, with the help of the disclosures now become public, it is more and more clear that the chief cause of the collapse of 1866 was the unsound and extravagant 'financing' operations of railway companies and contractors. A system had gradually grown up, and in 1862-63 had attained to large dimensions, under which public companies and firms of contractors undertook, not only to provide the labour, materials, and superintendents for extensive works designed to cost millions and to occupy years, but also to take payment in bonds, shares, and other securities, by the disposal of which in the market, the ready money required for the actual work performed should be provided. In other words, the country became committed to transfers of floating into fixed capital to the extent of tens of millions, *without* any previous provision of a body of subscribers who had bound themselves to find the needful resources out of previous savings or accumulations. The exact opposite of this only natural and sound course was followed. The capital was first taken out of the floating balances of the money market, and then the securities representing this premature expenditure were sought to be disposed of to what may be called *ex post facto* investors. For a time, and up to a certain point, the process succeeded. The money market could bear the strain of a few millions, and permanent holders and purchasers could be found for the bonds and shares of some of the earlier and sounder undertakings. The first practitioners of this new art accordingly made large profits so easily and fast, that imitators sprung up on all sides, and the consequence was the hundreds of applications to Parliament during the years 1863-66. It was the mass of bills, bonds, and all sorts of documents put out by these financing contractors and companies, and the credit institutions in league with them, which kept up the rate of discount through 1864, 1865, and 1866, aggravated, of course, by the speculations of the cotton and India trades; and it was the final breaking down of the entire system, in consequence of the extravagant lengths to which it had gone, which was the chief cause of the panic of May, 1866.

* In the *Economist*, q. v.

"It is now clear that Overend and Co. were the initiators of a large part of the mischief. For the last ten or twelve years, Overend's has been a finance shop of the worst possible character. It was the constant and unfailing resort of people concerned with the wildest schemes, and having nothing to offer but securities, so bad that the borrower never asked what were the rates of interest charged upon them. The millions of money lent to the house by the public, under the belief that they were employed in discounting ordinary trade bills, were, in reality, squandered in advances upon wretched steam navigation companies, preposterous manufacturing companies, advances to American railways, and the support of a race of reckless contractors and schemers, utterly unfit to be treated with on any terms, or for any purpose. It is now clear, that from the moment the control of Overend and Co.'s business fell into the hands of the incompetent and culpable men who have brought to ruin and disgrace a great name and a noble institution, the almost unlimited command of means secured to the house by its previous success became its greatest peril, and led, in a great measure, to the final catastrophe. For a long period, the amount of money constantly left with Overend's without security, is believed to have been not much short of seven to eight millions sterling. It was this money, which, in blundering hands, worked the mischief. If security in the usual form of good short bills had been required to be given for it, the money could not have been squandered in preposterous enterprises, upon which, even on the most favourable computation, there could be no repayment of capital for years. The revelations consequent on the failure of May last, have shown to the public the interior of this notorious finance shop for the last eight years. During all that time, the losses so greatly exceeded the profits, that in July, 1865, when it was determined to form a limited company for the purchase of the business, the old firm were insolvent to the extent of $2\frac{1}{2}$ or 3 millions sterling.

"Vice-Chancellor Malins, in his judgment of 9th February, 1867 (see Appendix, P), has finally disposed of all the sophistical pleas which have been put forward in justification of a procedure under which the public were entrapped into putting $1\frac{1}{2}$ millions of good money into a concern utterly bad, and into paying half a million sterling of good-will for the privilege of doing so. The Vice-Chancellor said:—"In order to make the concern bear an appearance of solvency, it was necessary to take credit for a list of debts amounting to 4,192,000*l.*, but of which it appeared that no more than 1,082,000*l.* could be recovered, according to a careful estimate made by Mr. J. H. Gurney. But it seemed that the directors persuaded themselves that they might rely on the guarantee of the old firm to make good any deficiency of assets. I am decidedly of opinion that the directors were bound to disclose the real state of things to those whom they invited to take shares. The prospectus stated that 500,000*l.* was the price of the good-will of the business of the old firm. Did not that statement imply that the business of the old firm, at the time of the transfer of the business, was highly profitable? It was said that the members of the old firm had guaranteed the company against the liabilities of the old firm, by making

their private estates liable. But these private estates were not sufficient to meet the liabilities of the old firm, and, even if they were, the directors of the company had not taken any precautions to prevent those private estates from being sold, or from being taken by creditors in the event of the bankruptcy of the owners thereof. If the public had been told how matters stood, not a single share would have been taken.'

"The fate of Overend and Co. is the most prominent, and, perhaps, the most disgraceful. But the entire fraternity who thrived so conspicuously for a short time on financing, have broken up with more or less scandal. Barned's Banking Company at Liverpool is, in many respects, even a worse case than Overend's. The Joint Stock Discount Company and its manager, Mr. Wilkinson (now in penal servitude for robbing the company), afford another history. There is, then, the Imperial Mercantile Credit Company (London), set up principally to assist the last stages of the 'financing' of the notorious London, Chatham, and Dover Railway; the Bank of London, also largely engaged in the same pursuit; the Agra and Masterman's Bank, to whom a similar remark applies; the Contract Corporation, Limited; Smith, Knight, and Company, Limited; the old Ebbw Vale Company, and some others. The contractors' firms—Peto and Co., Savin and Co., Watson and Co., Furness and Co., and a group of minor names, are in the same category of failure. To these must be added, as an indispensable adjunct, the famous Atlantic and Great Western Railway, running from New York for several hundreds of miles to the Western States. This is a line which has been built wholly by financing, chiefly in this country. For several years past, a huge machinery of puffery has been in operation, the dimensions, ramifications, and cost of which, if they could be disclosed, would not be easily credited. After contributing largely to the ruin of most of the financing institutions patronised by it, it has at length (in January, 1867) stopped payment itself, and is now in the hands of a committee of investigation. As regards all foreign enterprises, especially in a country so full of capital and vigour as the United States, when will it occur to people on this side to inquire why, if the investment is so tempting, it is not taken up on the spot, and by people who must know a great deal more about its merits and attractions than can possibly be the case with foreigners? It is not an agreeable feature of this case that the persons concerned in pushing forward its financing operations, have been aided by an almost universal chorus of support from the press. To say the least, this is a result not creditable to the vigilance and judgment of the writers who permitted themselves to accept and endorse statements drawn up so manifestly in a spirit and tone of exaggeration.

"The London, Chatham, and Dover Railway, is the counterpart in this country of the Atlantic and Great Western Railway in America. The English, like the American line, was a contractor's speculation, not a shareholder's investment. The acts of parliament were obtained by a combination of lawyers, engineers, contractors, secretaries, and directors,—a few real shareholders were secured as a nucleus,—and then commenced in right royal style the

system of creating preferences and debentures to be issued to the contractor on his own terms, and passed off among the public, at par if possible, by a machinery of agency, advertising, and commission, so lavish and preposterous, that whenever the details of it can be fully given, the public will experience a new sensation of amazement. The race was between the finishing of the line and the development of the traffic, on the one hand; and the strength of the contractor and the capacity of the market to absorb the incessantly growing pile of paper securities, on the other. The odds were, of course, almost infinite against success; and for the single reason, if for no other, that every omission of securities damaged the credit of the concern, and drew within narrower limits the circle within which money could be had on any terms. The collapse and failure has been most entire and crushing; and so many people have suffered, that it is almost certain that a parliamentary inquiry will be set on foot, vigorous enough to bring the whole history to light.

"The Great Eastern Railway and the North British Railway have each been driven to partial suspension by the same policy of engaging in expenditure, before ways and means were provided by the previous issue of shares or bonds. The directors used up revenue receipts for capital purposes; paid dividends out of loans borrowed for short periods; carried large sums to suspense accounts; and at length broke down, because every means of raising actual money was exhausted.

"These collapses have brought into prominent notice the extreme unsoundness, and the great danger attending the present system of the railway debenture finance of this country. The 120 millions sterling lent upon the mortgage of railways, is nearly all of it in the form of bonds for three or five years, falling due and renewable at irregular dates, and renewable not out of any previously provided sinking or other funds, but only by negotiating new terms with the former or some fresh investor. Means must be found to convert these short loans into a fund resembling the public stocks, and, until this is done, the character of railway securities will be in peril, and the safety of the money market will be subject to serious interruptions.

"The banks that failed in the summer—the Bank of London, the Agra and Masterman's Bank, the English Joint Stock Bank, the Consolidated Bank, Hallett and Co., Price and Co.—were all, more or less, committed to the unsound financing of which we have spoken. The Bank of London and the Agra and Masterman's Bank were conspicuous cases of the ruin of excellent businesses by a resort, the most stupid and culpable, to irregular kinds of dealing not belonging to their proper functions.

"The growth of the London system of deposits at call, and a few days' notice with joint stock banks, has been rapid, and has led to changes not yet understood as perfectly as is desirable and necessary.

"The following Table (5) condenses the facts:—

5.—*Total Amount of Deposits Held by Joint Stock Banks in London at end of Years 1834-66 (as given by Mr. Gassiot's Pamphlet, "Monetary Panics.")*

	£
1834-39 (average)	1,308,000
'40-44 "	5,436,000
'45-49 "	9,500,000
'50-54 "	17,150,000
'55-59 "	35,750,000
1860 (31st December)	43,098,000
'61 "	50,606,000
'62 "	54,262,000
1863 (31st December)	71,333,000
'64 "	91,363,000
'65 "	86,429,000
'66 "	80,717,000

Note.—These figures do not represent the amount of *cash* deposits, in consequence of nearly all the banks following, until within the last few years, the objectionable practice of mixing up their *acceptances* with their deposits. The very large increase after 1860 is in a great measure explained by the rapid growth of the *acceptances*. At present, only two or three of the banks persevere in the practice of confusing the two items. Of the 80 millions appearing at 31st December, 1866, it is probable that 20 to 25 millions represented *acceptances*.

"As pointed out in the note, the reprehensible practice, in two or three cases, of mixing up *acceptances* with deposits, renders it impossible to ascertain what has been the real growth of the deposit system in its separate and purely banking form. The lessons of 1866 will scarcely fail to operate as a warning to some of the banks who have carried out on the largest scale the plan of taking cash deposits on the one side; and making, at the same time, large profits by means of commissions on their *acceptances*, on the other. It is clear that a bank entering largely upon such a career must be prepared to meet, in difficult times, a strain from one or all of three quarters, namely, first, from the falling quotations of its shares in the market; second, from possible alarm among its depositors; and, third, from possible and probable discredit of its *acceptances* in the money market. In point of fact, it is becoming clear that a bank cannot at the same time enjoy the advantages of good credit in attracting deposits, and use and sell the same credit in the form of *acceptances* to any large extent.

"The Indian banks that failed—the Commercial Banking Corporation of India and the East, the Asiatic Bank, the Bank of Hindustan, China and Japan, and some others—were mostly broken up by the effects of the mania at Bombay, and by the speculations in cotton.

"The statements already made prove abundantly that no system of banking legislation could have prevented a most severe panic in 1866—and a panic from which the recovery must of necessity be slow and painful. This opinion, however, is quite consistent with the conviction that it was the fourteen weeks of 10 per cent. from

May to August; and the intense foreign distrust of almost every English signature engendered by that measure, and by Lord Clarendon's circular to diplomatic agents arising out of it, which added greatly to the distress inevitable from general causes. The prolongation of the 10 per cent. carried the financial suffering and loss into quarters which were untainted by the previous irregularities, and entailed upon the country a prostration of enterprise, and a destruction of confidence from which we still suffer, and shall suffer for months to come; and for this prolongation and aggravation of the financial distress, the Act of 1844 is almost entirely responsible.

"Limited liability by itself is chargeable with but little of the mischief that has happened. The Companies Act of 1862 chanced to come into operation at a time when all the elements of a career of extravagance and folly were collected, and it became the accidental pretext for the particular form in which the disorder manifested itself. Nine-tenths, probably, of the limited companies of 1862-65 have failed, not because they were limited, but they were frauds, absurdities, or mistakes. Instances sufficient will remain, in spite of all the devastation, to prove that in competent hands, and with honest intentions, limited liability is compatible with real mercantile success. Whether experience will also show that the finance and credit companies set up in the last few years are capable of developing themselves into institutions of steady and satisfactory progress, is still quite doubtful. There is room, perhaps, for one or two such enterprises, but not for more.

"We enter on 1867 with a load of difficulties swept away. It is probable that the clearance is more complete than any which has occurred since 1850-51, when, by the combined operation of the commercial and political events of 1847, 1848, and 1849, every sort of unsoundness had been probed to the bottom, and every engagement had been reduced to the smallest compass."

II.—*The Estimated Corn-Yield of England.*

THE following interesting article, with the very important table to which it refers, is taken from the *Mark Lane Express* of the 4th February :—

"In another part of this day's paper a tabular statement will be found, based on the Government agricultural statistics lately issued, and brought to a practical purpose by a report which we procured, in 1861, from upwards of five hundred correspondents in different parts of the kingdom. The Government return gives the number

Note.—An abstract of the agricultural statistics of Great Britain, the first, it is to be hoped, of a regular annual series, will be found at pp. 199, *et seq.*

of acres under wheat, barley, oats, peas and beans, in England; the information being collected in 1866. Our return referred to the average produce per acre of these cereals for ten years, ending 1861, which may be considered sufficiently correct to form a basis, coupled with further information, to arrive at as correct an estimate of the aggregate produce of any given harvest as, under the circumstances, can be obtained. The following return from five counties, taken from the *Mark Lane Express* of the 17th of February, 1862, will explain the manner in which the averages are arrived at:—

1862.	Wheat.	Barley.	Oats.	Beans.	Peas.
ESSEX.					
Chelmsford.....	32	40	56	40	32
„	30	40	44	36	—
Coggeshall	28	44	56	32	24
Colchester	32	40	40	30	32
Dunmow.....	36	44	56	28	32
Kelvedon	24	32	40	24	24
Maldon	30	40	48	28	24
Manningtree	36	40	64	32	32
Ockendon	32	44	56	32	30
Roydon	32	40	52	32	32
Writtle	30	36	48	40	32
Gross	342	440	560	354	294
Average	31	40	51	32½	29½
KENT.					
Ashford	36	36	48	36	32
Benenden	32	—	40	24	24
Boughton Blean.....	36	44	64	36	32
Brabourne	32	32	56	32	24
Elham.....	24	32	48	24	32
Faversham	30	40	52	28	24
Gravesend	38	46	60	28	38
Maidstone	32	48	56	32	32
Ridgway	36	48	56	28	28
Sandwich	26	32	40	24	24
Seven Oaks.....	32	40	60	34	26
Wingham	40	48	56	32	32
Gross	394	446	636	358	348
Average	33	40½	53	29¾	29

1862.	Wheat.	Barley.	Oats.	Beans.	Peas.
LINCOLNSHIRE.					
Bardney	24	32	40	32.	24
Belvoir Vale	28	32	44	—	—
Boston.....	36	40	60	32	28
Candlesby	32	44	56	32	32
Colsterworth	24	40	48	—	—
Grantham	32	40	48	32	—
Long Sutton	32	40	72	36	32
Market Deeping.....	32	46	64	32	32
Moulton	32	40	64	36	32
Riseholme	32	40	56	24	32
Spalding	40	—	56	40	32
Stamford.....	32	40	52	32	—
Sutton Bridge	32	40	56	32	32
Thurlby Grange.....	32	40	48	24	32
West Theddlethorpe	24	40	—	40	24
Gross	464	554	764	424	332
Average	31	39½	54½	32½	30
OXFORDSHIRE.					
Bicester	32	40	56	32	32
Chawley	36	44	48	32	32
Cotteslowe	28	32	36	32	24
Eynsham.....	22	40	48	34	30
Farnborough	32	40	56	40	32
Great Tew	28	32	44	30	30
Hampton Gay	32	40	48	40	32
Henley-on-Thames	28	36	44	—	28
Radcot	28	36	40	32	32
Shipton	32	38	44	36	36
Steeple Aston.....	40	48	64	36	48
Swyncombe.....	34	48	68	40	34
Gross	372	474	596	384	390
Average	31	39½	49½	35	32½

1862.	Wheat.	Barley.	Oats.	Beans.	Peas.
WILTSHIRE.					
Aldbourne	24	36	48	—	—
Badminton	28	32	40	32	36
Baydon	30	40	48	—	32
Broad Hinton	32	36	64	32	32
Chippenham	24	32	36	32	32
Lanhill	28	40	44	32	32
Marlborough	32	36	52	28	28
Pewsey	28	40	52	32	32
Salisbury	32	40	56	—	—
Swindon	32	36	40	32	32
Warminster	24	32	40	32	32
Gross	314	400	520	252	288
Average	28 $\frac{3}{4}$	36 $\frac{1}{2}$	47 $\frac{1}{4}$	31 $\frac{1}{4}$	32

“In the absence of official statistical information (with the exception of Ireland), respecting the agricultural produce of the United Kingdom, it has been our endeavour, from year to year, at great expense and trouble, to collect from intelligent and trustworthy agriculturists, in all parts of the country, such facts relating to the yield of the crops as have enabled us to arrive at something like an accurate estimate, and the deficiency or otherwise that might exist in the aggregate yield. With regard to wheat, we have hitherto based our estimate of the aggregate consumption on what is considered to be that of each individual, which we average at one sack of flour, or six bushels of wheat per annum. Taking the population of the United Kingdom, therefore, at thirty millions, this will give an aggregate of twenty two and a-half million quarters of wheat, or thirty million sacks of flour. The further requirements of the country, over and above what the crop produces, are supplied by importations. Thus, we have always estimated an average crop of wheat of the whole kingdom at from fifteen to sixteen million quarters, and the importations have been regulated by the deficiency under or the excess above that quantity.

“Not only is our estimate of the consumption and production, in the main, justified by the result derived from these tables, but the value of our annual returns of the harvests is proved beyond a doubt, and their accuracy may be safely depended on by the miller and the merchant in arranging their operations for the year, especially now that the Government return gives the breadth of land under the various crops. We may now proceed to explain the nature of the tables which the reader will find on p. 3 (pp. 156, 157, *Journal*).

“It will be seen that there are three columns to each of the cereals. The first gives the Government return of the acreage

under crop in the year 1866. This return was of course collected by individuals properly qualified, and may therefore be depended on for correctness. The second column contains the ten-years' average of the yield per acre ending in 1861, and collected and published by us in 1862, being the substance of 500 letters from all parts of the country. The large scope of this return, which comprehends seasons of all kinds and consequently crops of all acreage yield, may be considered as correct as it is possible to make it. The third is derived from the multiplication of the two first into each other, which gives the gross yield of each county, supposing it to be an average crop.

"There is reason, however, to think that while the acreage yield of wheat of the kingdom has increased, the breadth of land under wheat has decreased, although the consumption has certainly increased year by year. We ground our opinion on this subject upon the fact that the importations of wheat suddenly increased (on an average of seven years) from under five to seven million quarters. The turning-point was the year 1856, the average for the seven previous years being, as we state, five million quarters, whilst that for the next seven years was seven million quarters. There are several reasons for this assumed reduction of the breadth of land under wheat culture. Amongst these are: the low prices of that grain for many years, and the comparatively high price of barley, which on many occasions approached near to that of wheat; the more extensive nature of wheat culture; the uncertainty attending its produce, and the fact that in a year of bad yield the price is kept down by importations below what a deficient crop would warrant to be profitable; the high price of animal food compared with that of bread-corn, which has led to the substitution of green and root crops for cereals—these and other causes, as we believe, have led to a gradual reduction of wheat culture, while the acreage produce has increased by the means of a higher system of cultivation. It will therefore be desirable for the Government to obtain an annual return of the same kind as that which was obtained last season. If the return of the number of acres under crops of cereals of all kinds be procured, it is then in our power to supply what is defective in the Government returns by the aid of the standard information in the second column of the present tables, and our annual reports of the crops, which contain the substance of six hundred reports from all parts of England. The value therefore of these tables will be well understood by all persons interested in the grain trade as well as grain culture. By them the extent of wheat culture, as well as that of other grain, is determined; as also the average yield both per acre and in the aggregate. A future Governmental return (*annually*) must solve the question of the fluctuation in the amount of the culture of any specific kind of cereal produce.

"It would be impolitic to attempt to draw any deduction as to the yield of 1866 until the publication of our returns, which will be given in the course of a few weeks. We shall then be able to show the actual amount of produce in comparison with the average as taken from the yield of the ten years we have cited."

The Estimated Yield of the Crops of 1866 in England if the

Counties.	Wheat.			Barley.			Oats.
	Acres Grown in 1866.	Average per Acre in Bushels.	Average Gross Yield in Bushels.	Acres Grown in 1866.	Average per Acre in Bushels.	Average Gross Yield in Bushels.	Acres Grown in 1866.
Bedford	48,306	28½	1,376,721	29,989	35½	1,064,610	10,526
Berks	61,103	33½	2,046,950	39,911	41½	1,666,284	25,259
Buckingham	53,661	28½	1,529,338	31,220	37½	1,178,555	23,842
Cambridge	131,217	32½	4,231,748	54,918	41	2,251,638	42,605
Chester	33,368	29	967,672	6,164	34½	213,158	46,260
Cornwall	46,815	29½	1,111,855	46,535	31½	1,477,486	42,975
Cumberland*	23,979	29	695,391	11,372	37½	429,293	71,870
Derby	32,572	29	973,588	14,497	40½	587,128	29,369
Devon	111,768	22½	2,486,838	75,312	31½	2,391,156	82,023
Dorset	46,037	29½	1,369,600	38,257	38	1,453,766	22,781
Durham	42,800	25½	1,080,700	12,990	33	428,670	45,942
Essex	181,062	31	5,612,922	109,636	40	4,385,440	45,504
Gloucester	88,241	27½	2,426,627	41,614	34½	1,435,683	17,030
Hants	110,824	27½	3,075,366	68,033	36½	2,483,204	65,651
Hereford	59,490	25½	1,502,122	21,192	32	678,144	12,205
Hertford	58,868	28	1,648,304	46,488	35½	1,650,040	24,977
Huntingdon	43,406	29	1,258,774	21,083	40½	848,591	10,889
Kent	104,173	33	3,437,709	41,422	40½	1,677,591	56,080
Lancaster	38,043	34½	1,302,973	7,448	39	290,472	55,617
Leicester	43,679	29½	1,299,451	32,004	37½	1,208,151	20,663
Lincoln	294,014	31	9,114,434	141,001	39½	5,569,539	101,399
Middlesex	9,654	30	289,620	2,222	37½	83,325	5,745
Monmouth*	19,796	29	574,084	12,150	37½	458,662	7,904
Norfolk	189,398	33½	6,344,833	186,925	42½	7,991,043	34,227
Northampton	70,726	32½	2,298,595	54,469	44	2,396,636	19,824
Northumberland	36,814	26	957,164	31,159	35½	1,149,684	72,636
Nottingham	67,628	29½	2,011,933	49,134	41½	2,051,344	17,603
Oxford	57,357	31	1,778,067	53,339	39½	2,106,890	21,248
Rutland	8,870	33	292,710	9,414	43½	407,155	3,246
Salop	80,326	24½	1,988,068	52,197	29	1,513,713	24,816
Somerset	69,012	29	2,001,348	33,358	36	1,200,888	23,643
Stafford	52,922	28½	1,508,277	30,058	35½	1,074,573	30,325
Suffolk	178,021	28½	5,118,103	138,496	35½	4,916,608	19,030
Surrey	42,083	27	1,136,241	18,865	35½	674,423	26,925
Sussex	97,874	29½	2,911,751	24,946	41½	1,041,495	63,325
Warwick	72,956	30	2,188,680	29,834	39½	1,178,443	13,621
Westmoreland	2,194	28½	63,070	2,628	37	97,236	17,042
Wilts	96,800	28½	2,783,000	64,868	36½	2,367,682	33,214
Worcester	64,781	29½	1,894,844	20,096	39½	820,168	7,293
York	290,793	29½	8,578,393	170,551	39½	6,736,764	208,856
Total	3,161,431	—	93,267,864	1,877,387	—	71,635,331	1,503,990
Quarters	—	—	11,658,483	—	—	8,954,416	—

* We could not get the averages of either Cumberland or Monmouth, taken for Note.—The average yield, upon which the gross yield has been computed, was

Harvest had been an Average One—from the “Mark Lane Express.”

Oats—Contd.		Beans.			Peas.			Counties.
Average per Acre in Bushels.	Average Gross Yield in Bushels.	Acres Grown in 1866.	Average per Acre in Bushels.	Average Gross Yield in Bushels.	Acres Grown in 1866.	Average per Acre in Bushels.	Average Gross Yield in Bushels.	
47½	502,616	18,682	32½	602,494	5,301	29½	155,054	Bedford
56	1,414,504	14,114	36	508,104	5,655	33½	189,442	Berks
48½	1,156,337	17,727	30	531,810	5,942	29½	175,289	Buckingham
59½	2,534,997	24,646	31	764,026	7,989	30½	241,667	Cambridge
41½	1,931,355	8,752	37½	326,014	1,623	30	48,690	Chester
37½	1,622,306	103	30	3,090	34	30	1,020	Cornwall
46½	3,341,955	447	32½	14,527	648	30	19,440	Cumberland*
48	1,409,712	1,701	35	59,675	3,176	30½	96,074	Derby
37	3,034,851	893	30	26,790	1,044	30	31,320	Devon
45	1,025,145	3,337	28½	95,938	2,455	29	71,195	Dorset
41	1,883,622	3,775	32	120,800	4,411	23	101,453	Durham
51	2,320,704	43,778	32½	1,411,840	24,884	29½	734,078	Essex
40½	693,972	16,620	33	548,460	7,009	31	217,279	Gloucester
47½	3,118,422	6,193	30½	188,886	7,240	31	224,440	Hants
31½	381,406	6,770	33	223,410	6,017	27½	165,467	Hereford
44½	1,105,232	9,232	31½	290,808	6,676	30	200,280	Hertford
54½	590,728	13,483	31½	424,714	4,935	31½	154,219	Huntingdon
53	2,972,240	23,888	29½	710,668	18,201	29	527,829	Kent
40	2,224,680	5,598	37½	209,923	349	30	10,470	Lancaster
47	971,161	12,121	35	424,235	7,210	33½	241,535	Leicester
54½	5,526,245	27,667	32½	906,093	27,165	30	814,950	Lincoln
57½	328,901	1,466	34½	50,943	1,469	32	47,008	Middlesex
56½	367,536	408	32½	13,260	1,143	30	34,290	Monmouth
55½	1,899,598	13,364	34	454,376	16,871	32½	548,307	Norfolk
53½	1,065,540	25,551	35½	907,060	9,350	34½	324,912	Northampton
40½	2,959,917	6,419	28½	181,337	5,428	25½	137,057	Northumberland
52	915,356	12,148	36½	443,402	9,405	34½	322,121	Nottingham
49½	1,057,088	16,986	35	594,510	7,134	32½	231,855	Oxford
53	172,038	1,849	37	68,413	1,336	35½	47,094	Rutland
31½	781,704	3,550	27	95,850	9,218	23	212,014	Salop
44	1,040,292	13,471	32½	441,174	1,888	28½	54,280	Somerset
40	1,213,000	4,113	35½	146,011	6,690	36½	245,857	Stafford
47	894,410	37,405	31	1,159,555	25,503	30½	784,216	Suffolk
42½	1,144,312	2,966	29½	87,497	6,823	30½	208,101	Surrey
51	3,229,575	8,548	31	264,988	12,303	29	356,787	Sussex
49	667,429	22,503	34	765,102	12,327	31	382,137	Warwick
34½	592,210	68	30	2,040	114	20	2,280	Westmoreland
47½	1,569,361	12,309	31½	387,733	6,186	32	197,952	Wilts
44½	322,715	18,496	29½	546,256	8,279	29½	246,299	Worcester
51	10,651,656	31,439	27½	864,572	24,775	28	693,700	York
—	70,634,828	492,586	—	15,866,384	314,206	—	9,497,458	Total
—	8,829,353	—	—	1,983,298	—	—	1,187,182	Quarters

calculated the yield at the average of the other thirty-eight counties.

taken for each county upon data furnished by the ten years ended with 1861.

III.—Statistics of the Insane Poor of Great Britain.

FROM the *Manchester Guardian* of the 18th December, 1866, and 1st January, 1867 :—

1.—The Insane Poor of England and Wales.

"The recent issue by the Poor Law Board of the yearly statement of the number of insane paupers chargeable to the unions and parishes of England and Wales is the latest census of that most hapless section of the community. The care of the insane poor throws great responsibility and no inconsiderable expense upon the municipal administration of this country. Their wants demand our constant succour, and the increasing costliness of their maintenance our no less constant vigilance. It has been computed that *six-sevenths* of the insane in England are supported by the public, which in this case means the ratepayers. On this estimate we may add 7,000 or so, to the total in the first table, and the result in round numbers will be 48,000 as the aggregate of insane persons, private and pauper, on the 1st of January last. But it is with the poor, not with the private, patients that we are here concerned; and they amounted to 41,425, of whom 18,209 were males, and 23,216 females.

Insane Paupers Chargeable to the Unions and Parishes, and to the Counties and Boroughs of England and Wales on 1st January, 1866.

	Males.	Females.	Total.
Chargeable to the parishes, according to the Poor Law Board.....	17,437	22,390	39,827
Chargeable to the counties and boroughs, according to the Commissioners in Lunacy	772	826	1,598
Total	18,209	23,216	41,425

The mass is chargeable to the unions and parishes; but a considerable number are supported by the counties and boroughs, and this, so far as the *totality* of the rate-payers is affected, makes no difference; it only shifts the burden from a narrow to a wider district. The incidence of the charge on counties and boroughs arose in this wise:—If a lunatic had no settlement, or if his settlement could not be ascertained, then the charge for his maintenance might 'be transferred to the county in which he was found' (16 and 17 Vict. c. 97, and 12 and 13 Vict. c. 32), or 'in certain cases to the borough in which he was found' (25 and 26 Vict. c. 111).*

"It is noticeable that the proportion of insane females is greatly in excess of the males in unions and parishes, and but moderately so in the counties and boroughs. The lunatics chargeable to the latter jurisdictions are, we believe, mostly persons found wandering about the country or the towns, and that may account for the smaller ratio of females, males, as a rule, being more addicted to vagrant habits than females.

"Nearly 1,000 included in the 41,425 insane as stated above were criminal lunatics—759 men, and 239 women. Here the females do not constitute *one-fourth* of the whole. A large number of soldiers and sailors are confined as criminal lunatics. This, and the fact that generally the proportion of female criminals is much less than that of male criminals, will sufficiently explain the disproportion.

* "Fry's Introduction to the Lunacy Acts." London, 1864.

"But it is of the union and parochial insane poor most is to be said, because of them most information has been supplied.

Insane Paupers Chargeable to the Poor Rates on the 1st January in each of the Eight Years 1859-66.

1st January, 1859	30,318
" '60	31,543
" '61	32,920
" '62	34,271
" '63	36,158
" '64	37,576
" '65	38,487
" '66	39,827

"Since 1859, as we see, the returns have been obtained annually. It appears that, with the intention of giving greater scientific value to the tabulated facts, the insane were in that year divided into two classes, lunatics forming one and idiots the other; and that all cases of insanity, under whatever denomination entered on the lists, that had commenced at any period subsequent to birth were classed as lunacy; and, in like manner, all cases of insanity returned as congenital were classed as idiocy. In 1857—there is no published return for 1858, when this method of discriminating had not been adopted—the idiots, so called, formed 38 per cent. of the total number of insane poor. In 1859, the first year it was employed, the idiots were found to constitute 29 per cent. only. That, too, was the average of the three years 1859, 1860, and 1861. The ratio has sunk 3 per cent. since, the average for 1864, 1865, and 1866 being 26 per cent. of idiots and 74 of lunatics. Now this does not arise so much from the decrease of idiots as from an increase in the record of lunatics. In 1863 the cost of maintaining lunatic paupers in asylums was cast on the union common fund, and not, as heretofore, upon the parish of their settlement. It was intended to encourage parish officers to send their poor suffering under the severer forms of insanity to the asylums—a costly mode of relief too frequently evaded. A few figures will prove that the act has not been a dead letter.

Lunatic Poor in Asylums and Licensed Houses.

1st January, 1861	18,262
" '62	18,511
" '63	20,545
" '64	21,453
" '65	22,174

"In the former state of things, between 1861 and 1862, there was only an increase of 249 inmates; but between 1862 and 1863 there was an increase of no less than 2,035; and in the two subsequent years there were also large additions to the asylum patients. It appears likely that the majority of the new cases were those of lunacy properly so called. Reverting to the total number of insane poor, but leaving out of view those who are supported by the counties or the boroughs, it is found that the proportion of the sexes has not changed, comparing 1865 with 1859. At both dates there were 44 males to 56 females in every 100 of the insane.

"The proportion at the present time of the idiot poor to lunatic poor in each division of the kingdom is disclosed by the subjoined table.

Ratio of Lunatic Paupers and of Pauper Idiots to the Total Insane Paupers on the 1st January, 1866.

Divisions.		Insane Paupers.			Ratio per Cent. to Total Insane.
		Males.	Females.	Total.	
1. The Metropolis	Lunatics	2,146	3,415	5,561	89·5
	Idiots	299	354	653	10·5
2. South-Eastern.....	Lunatics	1,204	1,639	2,843	70·7
	Idiots	541	640	1,181	29·3
3. South Midland	Lunatics	953	1,210	2,163	71·6
	Idiots	404	452	856	28·4
4. Eastern	Lunatics	753	1,095	1,848	71·4
	Idiots	326	415	741	28·6
5. South-Western	Lunatics	1,189	1,656	2,845	70·7
	Idiots	549	630	1,179	29·3
6. West Midland.....	Lunatics	1,730	2,154	3,884	74·9
	Idiots	558	745	1,303	25·1
7. North Midland	Lunatics	845	996	1,841	70·0
	Idiots	345	442	787	30·0
8. North-Western	Lunatics	1,645	2,056	3,701	77·2
	Idiots	538	556	1,094	22·8
9. York.....	Lunatics	974	1,144	2,118	71·4
	Idiots	407	442	849	28·6
10. Northern	Lunatics	646	660	1,306	74·3
	Idiots	221	230	451	25·7
11. Welsh	Lunatics	678	829	1,507	57·5
	Idiots	486	630	1,116	42·5
England and Wales {	Lunatics	12,763	16,854	29,617	74·4
	Idiots	4,674	5,536	10,210	25·6

"The diversities of proportion are very great. In the metropolis the idiots form only 10·5 per cent. of the total—this is the *minimum* ratio of the eleven divisions. In Wales the proportion is just fourfold that of London, or 42·5 per cent.—this is the *maximum* ratio of idiots. In the table generally the proportion is less in the manufacturing districts than in the rural. Thus, in the north-western—Cheshire and Lancashire—the percentage of idiots is 22·8, and in the northern 25·7. While in the south-eastern, south midland, eastern and south-western divisions, containing a preponderating agricultural element in their population, the ratios were respectively 29·6, 28·4, 28·6 and 39·3 per cent. But in more restricted areas the relation in number of the lunatic to the idiot poor can be better studied. The great region of manufacturing and mining energy, the north-western, the York, and the northern divisions of England has a markedly smaller proportion of insane poor to the population than any of the other districts.

Paupers in England and Wales on 1st January, 1866 ; the Number whereof that were Insane ; and the Ratio of the latter Class to 10,000 of the Population.

Divisions.	Population in 1861.	Whereof were Insane Paupers.	Ratio of Insane to 10,000.
1. The Metropolis	2,802,367	6,214	22
2. South-Eastern.....	1,805,534	4,024	22
3. South Midland	1,295,149	3,019	23
4. Eastern	1,142,168	2,589	23
5. South-Western	1,833,074	4,024	22
6. West Midland.....	2,434,680	5,187	21
7. North Midland	1,287,947	2,628	20
8. North-Western	2,923,487	4,795	16
9. York.....	1,899,233	2,967	16
10. Northern	1,151,326	1,757	15
11. Welsh	1,311,028	2,623	20
England and Wales	19,885,921	33,827	20

"Leaving out the districts just named, there is a remarkable uniformity in the ratio of the insane poor ; the lowest is in the north midland and the Welsh counties, 20 per 10,000 inhabitants, and the highest in the south midland and eastern counties, *i.e.*, 23. The ratios do *not* follow the ratio of pauperism, as a rule ; it is not the most pauperised counties that have the largest number of insane poor, nor the least pauperised the fewest. Let us examine the data of the next table.

Paupers of every Description on the 1st January, 1866, in England and Wales.

Divisions.	Number of Paupers on 1st January.	Ratio of Paupers per Cent. on Population.
1. The Metropolis	111,019	4'0
2. South-Eastern.....	97,352	5'4
3. South-Midland	79,505	6'1
4. Eastern	76,566	6'7
5. South-Western	109,410	6'0
6. West Midland.....	105,783	4'3
7. North Midland	55,706	4'3
8. North-Western	102,201	3'5
9. York	64,006	3'4
10. Northern.....	45,567	4'0
11. Welsh	77,698	5'9
England and Wales	924,813	4'7

"In the metropolis the pauperism was below the average, and the number of insane poor above the average. In the south-western counties the pauperism was 50 per cent. higher proportionally than in London, but the ratio of the insane poor was the same. In the northern division the pauperism was the same as in the metropolis, but the ratio of the insane poor was *one-third* less. Wales, with a far higher pauperism than the west midland counties, counts a lower ratio of its insane poor. No doubt the truth is that other causes than those which produce ordinary pauperism bring the insane upon the rates. The heavy expense of maintaining an afflicted relative in a private asylum may compel people to accept the

only aid within their command. This cause would act more uniformly throughout the community than the distress or the idleness which creates the stock pauper.

"Since matters near home interest us more than those which are remote, we have selected the statistics of 40 unions in the manufacturing and mining districts for the next table. The unions here have been chosen for their size, no other principle of selection was employed.

Insane Paupers on 1st January, 1866, in the undernamed Places, with the Ratio to the Population.

Unions or Parishes.	Population in 1861.	Insane Paupers.	Ratio to 10,000 of Population.
Nottingham	74,693	253	34
Birmingham	212,621	629	30
Leicester	68,056	189	28
Manchester	185,410	497	27
Liverpool	269,742	610	22
Stockport	94,335	205	22
Swansea	51,260	103	20
Bury	101,135	197	19
Newcastle-on-Tyne	110,268	214	19
Salford	105,335	198	19
Rochdale	91,754	167	18
Sheffield	128,951	232	18
Halifax	128,673	216	17
Carlisle	44,820	71	16
Derby	51,049	83	16
Kingston-on-Hull	56,888	93	16
Leeds	117,556	190	16
Macclesfield	61,543	101	16
Sunderland	90,704	145	16
Bolton	130,269	206	15
Merthyr Tydfil	93,008	140	15
Newport, Monmouth	51,412	78	15
Preston	110,523	164	15
West Bromwich	92,480	137	15
Oldham	111,276	168	15
Wolverhampton	111,033	165	15
Ashton-under-Lyne	134,753	184	14
Stoke-on-Trent	71,308	98	14
Tynemouth	77,955	108	14
Blackburn	119,942	153	13
Dudley	130,243	175	13
Gateshead	59,409	79	13
Wigan	94,561	122	13
Bradford, Yorkshire	106,218	123	12
Birkenhead	61,420	71	12
Huddersfield	131,336	159	12
Chorlton	169,579	185	11
West Derby	156,361	150	10
Aston	100,522	92	9
Cardiff	58,285	54	9

"From 9 in 10,000 at the bottom of the scale to 34 at the top is a long sweep through the melancholy diapason. The discrepancies in places where more uniformity might have been anticipated are not easily explained. Why should the ratios in these four unions be so wide as 34 in Nottingham, 28 in Leicester, 22 in Stockport, and 16 in Macclesfield? Why in Birmingham 30, and its

suburb Aston and the contiguous parishes which constitute that union, 9? Why in the Wolverhampton and Dudley unions 15 and 13? Why in Liverpool is it 22, and the adjoining union of West Derby only 10; or why, on crossing the Mersey, do we find it but 12 in Birkenhead? Why does Manchester count 27, Salford 19, Chorlton 11, and Ashton-under-Lyne 14? Entering Yorkshire, we discover that Sheffield, Halifax, and Leeds are pretty much on a level, but that Sheffield is 18, while Huddersfield and Bradford are but 12. In the Newcastle-on-Tyne union the ratio is 19, but in the Gateshead union it is only 13. Coming to South Wales, the proportion is 20 in the Swansea union; 15 in the Merthyr-Tydfil union, and 9 only in that of Cardiff.

"Idiotcy, that is congenital insanity, has an endemic character. The rural unions of the south-western counties and of Wales are particularly marked by its prevalence.

*Insane Paupers in the undernamed Unions on the 1st January, 1866,
Distinguishing those who were Lunatics from the Idiots.*

Unions.	Counties.	Insane Paupers.	Whereof were	
			Lunatics.	Idiots.
Chippenham	Wiltshire	76	39	37
Warminster	"	44	29	15
Wilton	"	44	18	26
Tisbury	"	45	27	18
Cerne	Dorsetshire	20	6	14
Totnes	Devonshire	78	48	30
Okehampton	"	49	28	21
South Molton	"	35	19	16
Williton	Somersetshire	49	23	26
Dulverton	"	16	4	12
Wellington	"	76	39	37
Taunton	"	90	58	32
Yeovil	"	54	31	23
Frome	"	57	28	29
Wells	"	29	16	13
Monmouth	Monmouthshire	118	66	52
Neath	Glamorganshire	77	39	38
Gower	"	25	10	15
Llanelly	Cardiganshire	45	25	20
Llandilo-fawr	"	47	18	29
Cardmarthen	"	93	36	57
Narberth	Pembrokeshire	81	33	48
Haverfordwest	"	92	47	45
Newcastle, &c.	Cardiganshire	41	14	27
Aberayron	"	37	9	28
Builth	Brecknockshire	29	11	18
Newtown	Montgomeryshire	57	28	29
Llanfyllin	"	64	34	30
Holywell	Flintshire	79	35	44
Dolgelly	Merionethshire	36	17	19
Ruthin	Denbighshire	45	22	23
St. Asaph	"	86	35	51
Llanrwst	"	23	5	18
Pwllheli	Carnarvonshire	70	22	48
Carnarvon	"	46	23	23
Conway	"	37	18	19
Anglesey	Anglesey	51	24	27
Holyhead	"	47	25	22

"The average percentage of idiots to the total of the insane poor was shown to be, for the whole of England and Wales, 26. But here it is over 50 per cent.; there were 1,079 idiots out of 2,088 insane. The social and fiscal condition of the agricultural labourers in Wilts, Dorset, Devon, and Somerset is, we believe, lower than that of the same class in any other equally extensive district of Great Britain. Physical and moral agencies seem there combined to degrade the race. In some of the villages of Somersetshire a foreign physician, familiar with the cretinism of the Alps, found a few years ago that hideous form of congenital insanity prevalent. The rural Welsh speaking no English form a comparatively small and secluded population. Under such conditions inter-marriages with blood relations will take place that may not, indeed, be contrary to the ecclesiastical canon, but which may, nevertheless, violate physiological laws. Whatever the causes, idiocy has attained its greatest development in the principality. Take, for example, the Aberayron union, where out of 37 insane poor 28 are idiots; or the Pwllheli union, where there are 48 idiots to 22 lunatics."

* * * * *

2.—The Insane Poor of Scotland.

"Those who make it their business to look into blue-books and parliamentary papers are often impeded, if not quite baffled, in their endeavours to compare statistically one part of the United Kingdom with another—England with Scotland or either with Ireland. To be north of the Tweed or west of the Irish Channel is to breed discordance, not in the facts, but in the mode of presenting them, or in the probability of presenting some of them in any shape. Happly the data are collected by different departments, each anxious to vindicate its patriotism and independence by studiously avoiding, as far as possible, the course followed by its neighbours. The census, the criminal returns, the reports of the poor law boards and of the commissioners who, under different designations, are charged in each country with administering the law relating to the custody and care of the insane, are all pregnant instances in point. Many others could be given—unfortunately they are all too numerous. Anxious to collate the Scotch returns of the insane poor with the English, we find in the former that the broad distinction of the afflicted into lunatic and idiot has not been attempted; while, on the other hand, the Scotch Commissioners note much of great interest in the study of mental disease which the English office, during its eighteen or twenty years' existence, has quietly ignored. Practically this diversity of procedure, whatever may be the subject-matter concerned, affords the *minimum*, and not the *maximum*, of result which the public have a right to demand. In many respects our returns are as discrepant as those of three separate nations existing under different laws and speaking different languages; possibly more so.

"The earliest return for Scotland in the present series dates from 1858, and terminates in 1865—that is, a year earlier than the English returns which were recently noticed in these columns.

Number of Insane Poor in Scotland on the 1st January in each of the Eight Years underwritten.

	Total Number.	Whereof were in	
		Asylums and Poorhouses.	Private Dwellings.
1st January, 1858	4,737	2,953	1,784
" '59	4,980	3,103	1,877
" '60	5,226	3,379	1,847
" '61	5,257	3,470	1,787
" '62	5,289	3,548	1,741
" '63	5,283	3,604	1,679
" '64	5,320	3,683	1,637
" '65	5,392	3,783	1,609

"There is no reason to suppose that the Scotch reports exclude any class of insane poor that is included in the English returns. As regards 'idiots,' though the distinction is not preserved in the tables, there are special institutions in Scotland for the reception of cases of congenital insanity. Between 1865 and 1858 there has been an increase of the insane, according to the figures above, of 655 or $11\frac{1}{2}$ per cent.—a far lower rate of increase than observable in England and Wales during the eight years, seven of which are the same as in Scotland, *i.e.*, between 1866 and 1859, where the rate was 31 per cent. In England and Wales the ratio of the insane poor chargeable to the poor rates, on the 1st January last, was 20·0 per 10,000 of the population; in Scotland it was, on the 1st January, 1865, 17·0 per 10,000. If we could be sure that the insane in both kingdoms are equally well and fully recorded, this comparison would indicate a psychological difference. Poor laws are old in England and new in Scotland. With us the registration of the insane poor has been specially provided for and encouraged. It is not long ago that the English Commissioners in Lunacy explained the apparent increase of insanity by the fact of the ampler records that were periodically furnished them than they formerly obtained from the unions. Before we can safely affirm that the insane poor of Scotland are 2·4 per 10,000 less than those of England and Wales, we must be certain that there are no statistical discrepancies in the returns of the two countries.*

"The Scotch reports give the number of the insane who are private patients, and for using these data occasionally we shall offer no apology, though the 'insane poor' is our proper theme. On the 1st January, 1865, there were 1,076 private patients in Scotland. Hence the total of the insane was then 6,468; hence, too, the private patients constituted *one-sixth* of the aggregate number. In England and Wales the corresponding ratio was *one-seventh*. The Scotch Commissioners observe that there has not been much increase in the number of private patients, while the augmentation of the poor class has been considerable. 'This difference,' they say, 'in the growth of pauper and private lunacy depends not so much on the smaller proclivity of the wealthier classes to insanity, as on the pauperising tendency of the malady, which leads to a considerable number of patients being every year transferred from the category of private inmates to that of paupers.' Of course it is to be understood from what has been already said that the term 'lunatic' in the Scotch tables is co-extensive with 'insane' in the English tables. * * * Taking all Scotland into the computation, it is found that the female to the male paupers are nearly as 3 to 1; but that the female pauper lunatics are not much in excess of the males. The exact ratio in respect of each class is shown in the following table for the four years ended with 1865:—

	Proportion of Female Paupers to every 100 Male Paupers.	Proportion of Female Pauper Lunatics to every 100 Male Pauper Lunatics.
1st January, 1862	297·3	121·0
" '63	288·8	118·6
" '64	279·3	117·7
" '65	288·3	117·7

"The Scotch Board of Lunacy report that:—

"In the proportion of pauper lunatics to the population, great discrepancies occur in different counties, which must be dependent (1) on differences in the constitution of the inhabitants; (2) on differences in their education and mental culture; (3) on different degrees of social intercourse, and in the amount and nature of their occupations; and (4) on differences in their pecuniary position. These discrepancies, however, as they appear in the table, p. xxxiii, are so various and manifold that we are not able to maintain that pauper lunacy is more or less abundant among a manufacturing or agricultural population, or among people of Saxon or Celtic race.

* "The Scotch officers seem to be aware that their enumerations are to a certain extent deficient.—See Eighth Annual Report, p. 251."

But the following table shows that the amount of pauperism and pauper lunacy in all Scotland varies very little in different years:—*

	Of Registered Paupers to Population.	Proportion per 1,000 of Pauper Lunatics to Population.	Of Pauper Lunatics to Paupers.
1st January, 1859	27'174	1'809	66'572
" '60	25'253	1'717	68'002
" '61	25'612	1'727	67'433
" '62	25'707	1'725	67'108
" '63	25'705	1'736	67'558
" '64	25'693	1'757	68'414

* "The more important features of the table alluded to by the Commissioners in the last paragraph are embodied in the next statement:—

Counties.	Registered Paupers at 14th May, 1864.	Pauper Lunatics at 1st January, 1864.	Proportion per 1,000	
			Of Pauper Lunatics to Population.	Of Pauper Lunatics to Paupers.
Aberdeen	5,878	411	1'846	69'921
Argyll	3,264	228	2'864	69'852
Ayr	5,119	239	1'200	46'688
Banff	1,709	87	1'502	50'906
Bute	539	33	2'020	61'224
Caithness	1,341	97	2'298	72'334
Dumfries	1,868	139	1'831	74'411
Kirkcudbright	1,342	98	2'306	73'025
Wigtown	1,789	93	2'209	51'984
Edinburgh	6,782	626	2'284	92'303
Peebles	232	23	2'035	99'137
Elgin	1,355	89	2'063	65'682
Fife	3,480	259	1'670	74'425
Kinross	160	14	1'958	87'500
Forfar	4,168	440	2'152	105'566
Lanark	13,445	793	1'238	58'981
Haddington	1,120	86	2'286	76'785
Inverness	3,084	195	2'186	63'229
Sutherland	882	52	2'152	58'957
Ross and Cromarty	2,878	179	2'171	62'195
Nairn	273	20	2'396	73'260
Kincardine	1,090	87	2'496	79'816
Orkney	815	54	1'666	66'257
Perth	3,640	354	2'659	97'252
Renfrew	4,340	184	1'090	42'396
Roxburgh	1,115	110	2'023	98'654
Berwick	1,113	55	1'507	49'415
Selkirk	145	13	1'330	89'655
Shetland	887	48	1'515	54'115
Stirling	2,008	130	1'466	64'741
Dumbarton	1,250	75	1'384	60'000
Linlithgow	943	52	1'331	55'143
Clackmannan	538	30	1'270	55'762
Total	78,682	5,383	1'757	68'414

* "Eighth Annual Report of the Board of Commissioners for Lunacy"—Scotland.

"Certainly the diversities are here sufficiently wide. In Renfrewshire the ratio of pauper lunatics is 10·9 per 10,000 of the population; in Argyllshire and in Perthshire it is respectively 28·6 and 26·6. In Forfarshire the pauper lunatics form more than *one-tenth* of the pauperism; in Banffshire and Wigtownshire they constitute *one-twentieth* of the aggregate; in Edinburghshire the lunatics are 9·2 per cent. of the total pauperism; in Peeblesshire, which is a small county, they are 9·9 per cent.; and in Lanarkshire they are 10·6 per cent. In Renfrewshire the proportion is at the lowest, namely, 4·2 per cent. There are other points in the table worthy of note. Compare Aberdeenshire with Argyllshire—two counties greatly different in their physical and social characteristics. Pauper lunacy in each forms 7·0 per cent. of the total pauperism, but that in its turn constitutes 2·6 per cent. of the population in the first-named county, and 4·1 per cent. in the second; consequently the ratio of pauper lunatics to the population in Argyllshire is 10 per 10,000 higher than in Aberdeenshire.

"There is a greater claim to scientific detail and precision in the Scotch Commissioners' reports upon lunacy than is to be found in the papers laid before Parliament by the English Commissioners. All the following tables, in which private as well as pauper patients are returned, we submit in evidence. We commence with the circumstances under which more than 10,000 patients quitted the Scotch establishments during the seven years ended with 1864, and have summarised the particulars in the next table.

The Number and Manner of Removal of Scotch Lunatics from the Commissioners' Register in the Seven Years ended with 1864.

	Private Patients.	Pauper Patients.	Total.
Number removed	2,535	7,473	10,008
By recovery	1,112	3,410	4,522
„ removal, not recovered	892	1,227	2,119
„ death	531	2,836	3,367

"The cases here are numerous enough to avoid those accidental disturbances which often arise when the facts investigated are too limited. Now, as regards recovery, the private and the poor patients are nearly on an equality—respectively 44 per cent. and 46 per cent. of the numbers removed; but with regard to the persons removed who have *not recovered*, the figures are very different, 35 per cent. of the private patients against 16 per cent. only of the poor. The removal by death of the private lunatics is therefore 21 per cent., against 38 per cent. of the pauper lunatics. Respecting these discrepant ratios of *unrecovered* cases, the Commissioners observe that:—

"The number of private patients annually brought under our cognisance is, on an average, a little in excess of a third of that of pauper patients. The recoveries are nearly in the same proportion, being slightly in favour of the paupers; but we see from the foregoing table that, in the removals of unrecovered cases, there is proportionally a great preponderance of private patients. To what extent this preponderance is due to the greater ability of the relatives of private patients to provide for them in a satisfactory manner at home, or to the pressure on their resources of the expense of the patient's maintenance in the asylum; or, on the other hand, how far it is owing to the difficulty of properly providing for pauper patients in private dwellings, or to the impediments placed in the way of their removal by statutory regulations, it would be difficult to determine.

"The two next statements embrace a smaller number of facts than the last, but the instructive manner in which the data are handled by the Scotch Board should stimulate the officials of Whitehall Place to follow an example so suggestive and significant. Preserving the figures, we have taken the liberty of dividing the Commissioners' table into two, and of adding a column of ratios to each. These

tables represent the progressive history of all the patients admitted into the Scotch asylums in 1858, and traced during the seven following years. The tables, when they shall have been continued long enough, will be exhaustive of the asylum population of the year selected. There were 1,308 patients, *i.e.*, individuals, admitted during the year, 30 of whom had been discharged during the twelve months but were re-admitted before 31st December, 1858; hence the 'number of patients under treatment'—we should for clearness have preferred the term *cases*—is called 1,338. Similarly, the re-admissions which go to make up the total in the first column of the subjoined table for 1859 are 74; for 1860, 53; for 1861, 37; for 1862, 43; for 1863, 26; for 1864, 26; and for 1865 they are 11.

*Progressive History of 1,308 Private and Pauper Lunatic Patients
Admitted into the Scotch Asylums in 1858, so far as concerns Recoveries.*

	Number of Patients under Treatment during each Year.	Number thereof who Recovered in same Year.	Ratio per Cent.
1858	1,338	338	25'3
'59	898	194	21'6
'60	652	36	5'5
'61	583	38	6'5
'62	531	19	3'6
'63	496	24	4'8
'64	470	10	2'1
'65	449	7	1'6

"The ratio column shows the yearly percentage which the second column of figures bears to the first. It confirms a well-known law in mental pathology—the rapid diminution in the chance of the patient's recovery in proportion to the duration of his attack. In the first year of admission *one-fourth* of the patients recovered; in the second year *one-fifth*; in the third, fourth, fifth, and sixth years the chances upon the average were reduced to *one-twentieth*; and the seventh and eighth years hopes of recovery were tending to rapid extinction.

"During the eight years 182 were discharged 'unrecovered,' that is 14 per cent. of the initial population of 1,308; the deaths were 338, or 26 per cent. on the same basis.

*Progressive History of 1,308 Patients Admitted into Scotch Asylums in
1858, so far as concerns the Number Discharged Not Recovered, and the
Number who Died.*

	Discharged Unrecovered during the Year.	Deaths during the Year.	Ratio of Deaths to the Total Number of Patients. under Treatment.
1858	68	108	8'1
'59	28	77	8'6
'60	25	45	6'9
'61	28	29	5'0
'62	9	33	6'2
'63	7	21	4'2
'64	10	12	2'5
'65	7	13	2'9

"The ratio of deaths in each year is computed on the 'number of patients under treatment' and not upon the number of persons. The death-rate, like the rate of recovery, diminished with the march of time, but in far less proportion, as

the figures plainly tell. If the asylum population of every year could be exhaustively traced for the United Kingdom in the manner initiated in the Scotch returns for 1858, the nation would ultimately possess an invaluable contribution to the therapeutic and vital statistics of insanity. The recoveries in the Scotch establishment during the latest year returned, that is, in 1865, were 628; of these, 291 were of male and 337 of female patients.

Table of Recoveries from Lunacy of Private and Pauper Patients in the Public Asylums, Licensed Houses, Parochial Asylums, and Poorhouses of Scotland in One Year.

	Males.	Females.	Both Sexes.
Total number recovered in the year 1865	291	337	628
<i>Period of Residence when Discharged—</i>			
Under 1 month	16	16	32
1 month and under 3 months	86	89	175
3 months " 6 "	72	86	158
6 " " 9 "	49	59	108
9 " " 12 "	19	34	53
12 " " 18 "	21	26	47
18 " " 2 years	11	8	19
2 years and under 3 years	9	8	17
3 " " 5 "	2	6	8
Over 5 years	6	5	11

"In the previous table it was shown that as the *years* ran on the chances of the patient's restoration to mental health declined; here the law holds good of *months*. The most favourable anticipations, according to the results of the last tabulation, which we have every reason to believe are not abnormal, may be entertained of those who have been under asylum treatment for six months—365, or 58 per cent., recovered in that time; under nine months the recoveries were 473, or 75 per cent.; before the twelve months had quite run out, 526, or 84 per cent. of the total restorations of 1865 had been effected.

"Before concluding, there is one statement that ought not to be overlooked. It shows for the years 1858 to 1865 the monthly admissions, recoveries, and deaths in the Scotch establishments:—

	Admissions, 1858-65.		Recoveries, 1858-65.		Deaths, 1858-65.	
	Males.	Females.	Males.	Females.	Males.	Females.
January	369	418	125	172	136	119
February	336	360	144	189	150	115
March	373	477	148	189	124	117
April	389	484	134	183	143	117
May	408	502	197	242	117	117
June	470	514	156	226	118	108
July	446	514	167	223	102	118
August	393	501	173	212	93	93
September	371	383	140	213	83	95
October	397	423	170	212	109	106
November	341	400	137	176	116	99
December	328	325	155	237	143	109
Totals	4,621	5,361	1,846	2,474	1,439	1,313

"We have here nearly 10,000 cases, and it will be observed that the females admitted exceeded the males by 740, or 16 per cent., while the recoveries experienced by the female patients exceeded those of the males by 630, or 34 per cent. This preponderance in the favour of the female patients is noticeable at all seasons. Admissions and recoveries of both sexes attain their *maximum* in the summer months of May, June, July, and August, while mid-winter and spring are marked by a preponderance of deaths—the mortality being greatest in December, January, February, March, and April."

IV.—*The French and English Budgets.*

FROM the *Economist* of the 29th December last. This article will be read with interest by those who are acquainted with General Balfour's paper on the same subject, in vol. xxix, part 3, of the *Journal* :—

"Most financial inquirers have looked at M. Fould's statement, and it may be doubted whether one in a hundred or even one in a thousand have derived any information from it whatever. The maligners of the empire say that this obscurity is intentional. But, in fact, no desire to enlighten and no faculty of exposition would suffice to make clear to most men what M. Fould attempts to tell them. Eminent statistical writers much prefer the French accounts to the English. They tell us that their divisions are clearer; their details more exact; their whole structure neater and nicer. But they do not tell us what a clever statistician is not very apt to recollect,—the political cost at which this arithmetical prettiness is bought.

"The French budget attempts three things which the English does not. First, it makes up what we may call the real revenue of each year and the real expenses of each year. The English system is very rough. We only regard (technicalities apart) what revenue is received at the head treasury during the year and what money has been issued from the head treasury for services and payments during it. It is in principle a cash account of income, and a cash account of outgoing. But the French are more elaborate. They impose a certain set of taxes for the year, but the whole of these taxes may not come to hand for months after the year. Our income tax, as every one knows, is very often months in arrear, and it is so with many taxes in all countries. Credits, for example, are given (like our malt credits) to various taxpayers, who are not expected to pay, and do not pay, till that credit is expired. Now, all such outlying moneys, say of the year 1866, the French financiers treat as belonging to the year 1866; they are not, indeed, received during it; but, still, they belong to it. Some one, during 1866, became liable to pay, either at the time, or hereafter, those sums, and so the State got richer. Just so on the other side of the account. Liabilities may have been incurred by the State for work done during the year, and those debts to pay are to be reckoned against the debts to come in. And, again, the French financier follows the expenditure to subordinate dispensers. Although the money may have been drawn from the head treasury, it may be lying in a minor one, and this, if not wanted for a liability of 1866, a French financier would not treat as an outgoing of 1866. Why should he? he would ask. It is a transfer, so to say, of a sum of money from a head office to a branch office. The accounts, therefore, of the Imperial Government resemble nothing so much as the accounts of careful shipowners. In these there are various 'voyages' open at once, and money is not treated as actually expended merely because the captain has drawn for it: the voyage account stands open till all the freight earned has come in, till all the incurred liabilities are discharged, till the captain has accounted for all the money he drew from England and repaid the balance, if any. Substitute the '*exercice*' of the year for the voyage of the ship, and you have the Paris account-books with 1864, 1865, 1866 all open at once.

"Again, the French try to show not what their casual income and casual outgoing for the year is, but how much of each is due to permanent, and how much to temporary causes. A private person in his annual make-up usually states not only what he received, but also whether he is likely to receive it again; not only what he spent, but also whether he must spend it in future. He says :—'There was the trip to Rome, that need not come again; and, on the other hand, there was a 200*l.* legacy, which will not come again either.' Just so a French financier divides his accounts on both sides into 'ordinary and extraordinary,' to show, if possible, what is the permanent state of the national finance, and what its perturbed and momentary state.

"Lastly, to secure a sufficient time for all this elaboration, the French financier looks far into the future. The accounts for 1866 were presented to the Chambers last February, and those of 1868 will be discussed in a month or so. But though such distant anticipations may be careful, they cannot be correct. The world abounds in unforeseen events, and each great national event leaves its mark on the national finance. In consequence, this original budget (divided as it is into ordinary and extraordinary) has to be supplemented by the budget *rectificatif* or 'corrected budget,' and this, as now, in M. Fould's, receives itself supplementary alterations and annotations.

"Every one who knows anything of the difficulty of explaining at all effectually even simple matters of account, will know that such elaborate figures as these can never be understood by many persons, and that even among those persons there are sure to be many wranglers about them. As to explaining them to the public, the attempt would be childish, and M. Fould does not attempt it. His reports are a sort of 'minutes' suitable to an office where every one has the accounts at hand—where any one can turn up any voucher he wants—where any one can ask for an explanation which he wants. But such reasoning as the following is not suitable to the general public :—

"'The receipts in the budget for 1867, submitted to the Legislative Body, and voted by it in 1866, were based upon the amount of receipts realised in 1865. Now, as I have explained already, a comparison of the first eleven months of 1866 by a corresponding period of 1865, shows for 1866 an increase of 45,000,000 in the indirect revenues. When such a result is gained in a year that has been marked with trials of all kinds, we have a right to expect that in the following year the increase in the produce of the indirect taxes will not slacken. It is, therefore, reasonable to estimate at 90,000,000 the overplus to be carried to the rectified budget of 1867.

"'Added to this sum 3,400,000 increase upon the direct taxes, 5,000,000 for the coast, woods, and the lands at Havre brought over from 1866, and nearly 3,000,000 from some other sources, we may reckon upon sufficient resources to meet the expenses about to be enumerated, if we take into account the annulments which occur every year to diminish the total of open credits.'

"The world at large cannot criticise such reasonings as these; it has no access to back figures; it must take them on trust if it takes them at all.

"But the political effect is, that the French nation can form no opinion about its finance. It is told too much, and in too abstract a form, and so knows nothing. The English Chancellor gives every year a rough popular account of the general state of things, and this can be broadly criticised and dealt with. And it is only so that a free nation can judge of its finance. If it attempts precision it ensures failure."

V.—Workhouse Death-rate in Childbirth.

FROM the *Pall Mall Gazette* of the 25th January last :—

"Soon after his accession to office Mr. Gathorne Hardy, as President of the Poor Law Board, moved for a return of the number and mortality of child-bearing

women in the metropolitan workhouses. Considering how much had been said about the neglect or positive ill-treatment of the sick poor of London by the guardians and their officers, it seems strange that no light upon the question had been sought in this direction before. The condition of these poor women must naturally, under any circumstances, excite the liveliest sympathy. Now, what is their condition as disclosed by Mr. Hardy's brief statistics?

"It appears there are thirty-nine workhouses in the metropolis, and during the year 1865 the number of cases of childbirth was 2,728, and that the deaths from that cause amounted to sixteen in the same year. These deaths occurred in nine workhouses only. The facts may be summarily expressed by naming only those places which experienced any mortality. Thus:—

	Number of Cases of Childbirth.	Number of Deaths Therefrom.
Thirty workhouses.....	1,754	Nil
St. Martin-in-the-Fields	27	1
St. Marylebone	306	2
Hampstead.....	5	1
St. Pancras.....	249	3
Islington.....	91	5
East London	41	1
West London.....	52	1
Whitechapel	107	1
St. George's, Southwark	96	1

"Taking the aggregate numbers of both series, we find that the death-rate in childbirth for all the metropolitan workhouses was 6 per 1,000 cases. Is this a small or a large ratio? We cannot say until it is measured on some fair standard. To discover the means of a very exact comparison—so exact that all the conditions of the problem shall be rigidly alike—is difficult, and in London perhaps impossible. Some test, however, is supplied by the experience of one or two of the larger lying-in hospitals. There is Queen Charlotte's, for instance, which possesses a great reputation as a school of obstetric practice. Dr. Brodie, in the *Medico-chirurgical Transactions* of 1864, has given the mortuary statistics of the last-named institution and of several kindred establishments. From that source the following figures have been drawn:—

	Years of Experience.	Cases of Childbirth.	Deaths in Childbirth.	Death-rate per 1,000 Cases of Childbirth.
Queen Charlotte's Hospital, 1857 to 1863	7	2,268	90	40.0
Rotunda Hospital, Dublin, '57 „ '61	5	6,521	169	26.0
British Lying-in Hospital, '49 „ '61	13	1,581	11	7.0
The thirty-nine workhouses of London } in 1865	1	2,728	16	6.0
Out-door midwifery department, St. } George's Hospital, 1856 to 1863 }	8	2,800	10	3.5

"We must take the comparison here instituted for what it is worth; it may be urged with some truth in depreciation of the table that the figures which represent the metropolis relate to one year only, the other figures to several. Notwithstanding this, the ratios of the final column are certainly suggestive. Of the four *in-door* establishments named, the London workhouses exhibit the lowest death-rate. It is only when we reach the *out-door* cases of St. George's Hospital that we discover a death-rate yet lower. The heavy mortality of Queen Charlotte's Hospital Dr. Brodie assigns to very special causes. Foremost is the great number of single women received there; the mortality of the unmarried being far beyond that of the married women in childbirth. The records of five-and-thirty years show that the death-rate of the latter is 18, and of the former 35 per 1,000 cases in Queen Charlotte's.

"A great mortality," says Dr. Brodie, 'amongst unmarried women on their passage through the puerperal stage has always existed.' The depressing circumstances necessarily incident to their unfortunate condition are sufficiently obvious. At the Rotunda Hospital, where the death-rate is fully four times that of the London workhouses, the authorities 'profess only to admit married women.' The British Hospital approximates closely to the London workhouses by its low death-rate. This institution restricts its benefits to married women and to 'those in not larger numbers than about 120 annually.' The eight years' practice of the out-door midwifery department of St. George's reveals a death-rate exactly one-half that assigned to the British Hospital and rather more than half that which occurred in the workhouses. Speaking of these out-patients, Dr. Brodie remarks, 'Women delivered at their own habitations, as I know by experience, are often living in the greatest filth and poverty, with only one room to accommodate the wants of a whole family, and yet, as will be seen, these patients do infinitely better than those who are removed to a spacious well-ventilated building, with every comfort and attention that can be desired.' This is certainly a very startling statement, and we should like to see some further explanation of it.

"The death-rate in Queen Charlotte's Hospital was, as we have shown, more than *six-fold* that deduced from the workhouse data of 1865. The child-bearing women of the *in-door* pauper class are probably exposed before entering the workhouses as the time of parturition approaches to all or most of the depressing agencies which Dr. Brodie has indicated in regard to the females who avail themselves of the benefits of the institution to which he is professionally attached. We cannot pretend to say why the difference between the death-rates should be so great. We must here content ourselves with registering the facts. It is to be hoped, looking to the importance of the inquiry, that Mr. Hardy will push his researches a little further, and place before the public a wider range of statistics, extending over four or five years, say, and that their value may be enhanced by discriminating in his next return the married from the single women."

VI.—*The Actual State of American Finance.*

FROM the *Economist* of the 22nd December last:—

"The report of the Secretary of the Treasury at Washington is, in one respect, very unlike the budget speech of our Chancellor of the Exchequer. The interest of Mr. Gladstone's great speeches is prospective; men throng the avenues of the house, asking, What is the surplus, and what will he do with it? That surplus depends on his reckoning for the coming year,—is, in fact, the difference between the estimated revenue and the estimated expenditure for that year. But at Washington the finance executive has no control over the coming year. That lies with Congress. Our Chancellor of the Exchequer—being the representative of a ministry elected by

Parliament, and possessing a majority in Parliament—can act as a rule as he thinks best. But the Secretary of the Treasury in the United States is only the appointee of the President, who may or may not have a following in Congress. Now, as we all know, Mr. Johnson has no effectual party in either house, and his ministry will have very little influence on what Congress may decide to do. The interest, therefore, of the Secretary's speech is historical; it relates to the past year and its results. The modest retrospect which in England Chancellors of the Exchequer only formally propound, here makes in this case the principal interest.

"The history, indeed, is very curious, and has this interest, that it is history, and not anticipation. The principal objection which we make to Mr. McCulloch's report is that he does not tell his story in quite the plainest way. A good many figures are accumulated, which do not help much. But he does not put *quite by themselves* the income derived from taxation, and the current expenditure. The balance between these is the cardinal item in finance, and should appear so that the eye cannot help reading it. That item for the last financial of the United States is as follows:—

Revenue—	£	£
Customs	35,809,330	
Land	133,006	
Direct tax	394,952	
Internal revenue.....	61,845,362	
Miscellaneous	13,423,875	
	<hr/>	111,606,525
 Expenditure—		
Civil service	8,211,392	
Pensions and Indians	3,770,481	
War department.....	56,889,940	
Navy „	8,664,827	
Interest on public debt	26,613,540	
	<hr/>	104,150,180
 Balance		<hr/> 7,456,445

Note.—These figures are calculated at 4s. the dollar.

And this shows, probably, the most unexampled fact in financial history. That a Government which one year ago had no *internal* revenue at all, whose tax-gatherer never came to the homes, or intervened in the dealings of the people, should be able to raise 60,000,000*l.*, or any such sum, is a miracle. In any other country the bare attempt would have caused a revolution. But in America these taxes are borne as patiently as taxes are ever borne in any country. There is no more idea of resisting them, than of declaring a monarchy. No endeavour has been made to sweeten the impost by nicety of adjustment, or by delicate selection. Congress simply laid a tax on everything it could think of, and let it hit whom it could. Yet this financial decimation of the people excites little murmuring. The Americans are little apt to imagine that the acts of their Government can be tyrannical. They are the acts of the persons for whom they voted, of their agents, and there is no semblance of the bitter feeling which prevails in most countries at taxes imposed by a superior authority felt or fancied to be other than the people. The Americans, too, have the money; everybody is well off, and everybody seemingly wishes that the Government should be well off also.

"But this is not the whole of the retrospect which Mr. McCulloch is able to lay before us. He also gives us the quarter ending 30th September last. Thus:—

<i>Revenue—</i>	£	£
Customs	10,168,755	
Land	45,699	
Direct tax	68,091	
Internal revenue.....	19,833,398	
Miscellaneous sources.....	1,596,353	
	<hr/>	31,712,296
 <i>Expenditure—</i>		
Civil service	2,378,745	
Pensions	2,357,595	
War department.....	2,766,644	
Navy	1,575,722	
Interest on public debt.....	6,733,080	
	<hr/>	15,811,786
		<hr/>
		15,900,510
		<hr/>

"These results will not seem to many who have heard the superficial statement on the subject so good as they expected. An impression has gone abroad that 40,000,000*l.* has already been liquidated of the debt of the United States. But we are inclined to call Mr. McCulloch one of the bad advocates who impair a very good case by overstating it. In form, it is true that 40 millions sterling of American debt has been paid off since 31st August, 1865, when the debt was at its maximum point. But that payment was not made out of revenue. The United States, like many other people in extremity, overborrowed, and so had some money to pay back out of the produce of their loans. The whole funds applicable to the reduction of the debt from a legitimate surplus—from the real excess of revenue over expenditure—are shown in the above accounts. They are but 23,000,000*l.*

"Still, the financial condition indicated by these figures is very wonderful. If the United States could only raise revenue at the rate of the last quarter, they might have a surplus of 60,000,000*l.* by the 30th of June next. But, of course they will not continue to raise that revenue. Mr. McCulloch, as will be seen from the tables annexed to this article, proposes largely to reduce the taxation, and so to diminish the available surplus on the 30th June next to 31,000,000*l.* But it would be as reasonable to ask Mr. Gladstone what would be Mr. Disraeli's budget, as to take Mr. McCulloch's estimates to indicate the future policy of Congress. There are two great facts: one is the great fact of protection, tending to keep up the tariff by every means in its power, and eager to resist its reduction. The other is the natural impatience of taxation, which must tend to disincline men to pay to the highest and the most inconvenient taxes ever known. In appearance these two tendencies are opposed—the protectionist power will wish to maintain taxation; the anti-paying power, of course, will wish to abolish it. But in many branches of revenue the two may co-operate. Many branches of internal revenue are the equivalents of others in the customs revenue; and against these the wish not to pay taxes, and the wish to keep out foreign goods, will at once combine.

"Mr. McCulloch has excellent free-trade principles as far as he dares avow them. He lays down that each customs duty should have an equivalent excise duty. But his opinion is but speculative. By the present working of the American constitution no one person has the responsibility of, or the success of, the national finance.

The function is so distributed that you do not know where to find the duty. The Secretary of the Treasury writes a letter; Congress refers that letter to a committee; the chairman of that committee is generally influential, and carries much of what he wishes; the committee has considerable moral weight, and so, sinister interests, apart often carries what it wishes through Congress, and it becomes law if the President does not negative it. But the imperfection and complication are very plain. The Finance Minister says, 'I must have such and such moneys, and I propose to get them thus and thus.' Congress says, 'You need not have these moneys, and what funds you require you shall get in a different manner.' And in coming to this decision Congress is guided by a crowd of unknown persons; so that there is no real responsibility on any single person. Here the Chancellor of the Exchequer loses credit if the national balance is wrong; but the American nation cannot tell whom to blame if their finance is not satisfactory.

"Upon principle it is not desirable to reduce the amount of the American debt wildly, and as if there were no other comparable evil in the taxes which were imposed so rapidly. Some are very injurious to wholesome industry, and others so irritating that no other nation would think of bearing them. It is said that if the debt is to be reduced at all, it must be reduced largely. The *people* must be interested in the policy, and they can only be attracted by immediate and palpable effects. But we confess to a rooted distrust of *sensation* finance. If these taxes ought to be reduced, the tax-payers will before long prove that they shall be so. They will convince the rest of the nation, and the endeavour to enlist them in a career of liquidation by theatrical attractions will fail as it deserves. The oppressive and restrictive taxes ought to be taken off, and the remaining surplus only applied to the relief of debt. Of such injurious taxes, the worst in reality are the highest protective duties in the tariff. These are mere bribes, taking industry from its right task and sending it to a wrong task. They lessen the real wealth of America by forcing it to a needless labour. They take out of the pocket of the Americans far more than their Government obtains, because much of their yield goes to a fostered and subsidised industry. But we feel,—so natural is the doctrine of protection, so difficult and hard to learn is the seemingly simple doctrine of free trade,—that we must not expect these high tariff duties to be reduced, but, rather, we may be sure they are the very duties which the present Congress is sure to keep on.

"The most obvious features of American finance are two. First, the enormous power of a country which has attained a large population, but which has still the best opportunities of nature. The United States have still the best possible land, the best mines, the best things above ground, the best things under ground, and an educated Anglo-Saxon race to make use of all of them. Such means and materials for production, and such skill in making, the world has never seen together. In consequence, wealth is created faster than ever before, and the Government can tax it much more readily.

"Secondly, there is not only a facility in obtaining money, but also a facility of getting rid of men such as Europe does not know. In England, if the State engages an *employé*, as a rule it keeps or it pensions him. We could not hope to engage people by the hundred thousand, and dismiss them by the hundred thousand. A person who gives up anything here rarely gets anything else. But labour and skill are so valuable in America that everybody finds something to turn to. Almost the whole of their vast army has been mustered out and cast loose. The generals are managing railways; the officers are practising at the bar; the men are artisans and clerks; all are earning and thriving. There has been no parsimony in the Government; on the contrary they have voted 12,000,000*l.* sterling in 'back bounties,' that is in payment to early enlistees who did not get the full bounty which was given to those who came in at the eleventh hour, and partly we believe to negroes, who got little or nothing. We should like to hear Mr. Gladstone's reply to a discontented colonel who asked him to give 12,000,000*l.* to insufficiently paid and retiring soldiers. We should not pay so munificently any more than we could dismiss as carelessly.

“Much of Mr. McCulloch’s report is occupied with the state of the currency and the necessity of a resort to specie payments, but this we must reserve for future discussion. It is a great deal too delicate and involved to be dealt with at the conclusion of this article. Upon the whole the position of the taxation is plain. The revenue is ample and debt can be rapidly paid off, but as yet the political questions cannot be solved, how much debt will Congress decide to pay off and how much revenue will it consent to raise.”

